# U.S. Exports to Peru: A State Perspective

U.S. Department of Commerce
International Trade Administration
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The United States exported $2.1 billion in merchandise to Peru in 2004, up from $1.7 billion in 2000. Peru was the 42nd largest market for U.S goods in 2004, out of a total of 230 markets.

Seventeen states exported more than $20 million in goods to Peru in 2004. Seven of these states exported goods worth more than $50 million, and four exported merchandise worth more than $100 million.

Texas and Florida were the top state exporters to Peru in 2004. Texas recorded merchandise exports of $499 million to Peru, while Florida recorded shipments of $462 million. Together, these two states accounted for 46 percent of total U.S. goods exported to Peru in 2004.

Other states that posted significant export totals to Peru in 2004 were Louisiana ($154 million), California ($117 million), South Carolina ($96 million), Illinois ($83 million), Washington ($67 million), New York ($44 million), Georgia ($41 million), and Massachusetts ($36 million).

Thirty-three of the states increased their merchandise exports to Peru from 2000 to 2004. Texas recorded the largest dollar increase, boosting shipments to Peru from $296 million in 2000 to $499 million in 2004. Other states with noteworthy increases in export value to Peru over the 2000–2004 period were Louisiana (up $75 million), Florida (up $60 million), South Carolina (up $53 million), and Washington (up $53 million).

Manufactured goods made up 83 percent of U.S. merchandise exports to Peru in 2004 (below the 89 percent figure for total U.S. exports of goods). Agricultural and construction machinery was the largest manufactured export category, with $234 million, or 11 percent of total U.S. shipments of merchandise. Other significant manufactured export categories were resin, synthetic rubber, and synthetic fibers and filaments ($179 million); petroleum and coal products ($165 million); computer equipment ($161 million); and basic chemicals ($126 million).

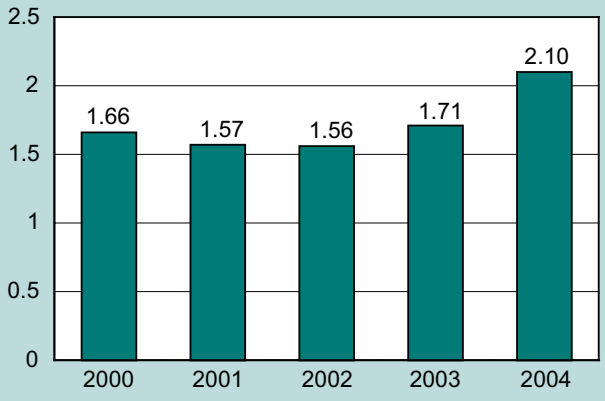
The United States also exported significant amounts of unprocessed agricultural commodities to Peru in 2003. Shipments of unprocessed oilseeds and grains totaled $180 million—the second largest export category to this market, accounting for nine percent of total U.S. exports to Peru.

In dollar terms, the leading growth category among manufactured exports to Peru was petroleum and coal products. Export shipments of these products surged over the 2000–2004 period, going from $24 million to $165 million. Other manufactured export categories that registered large dollar growth during this period were resin, synthetic rubber, and synthetic fibers and filaments (up $105 million); basic chemicals (up $45 million); agricultural and construction machinery (up $37 million); and communications equipment (up $31 million).

In percentage terms, the fastest-growing categories among U.S. manufactured exports to Peru were petro-

**U.S. Exports to Peru Have Increased 26 Percent Since 2000**

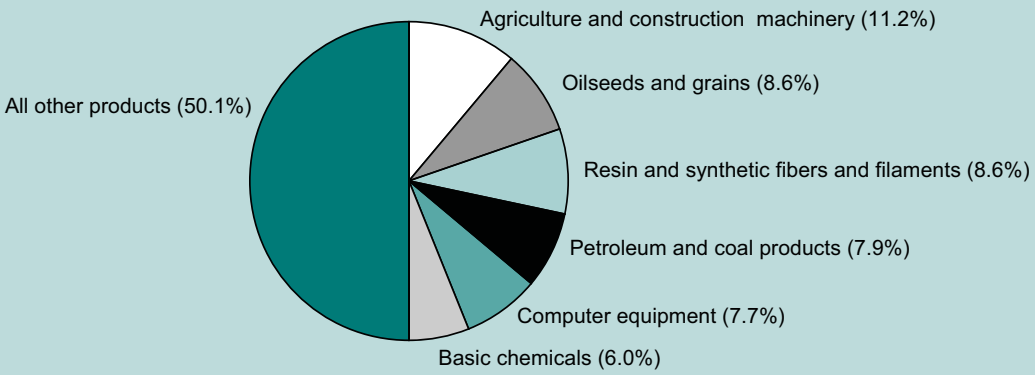
Merchandise Exports to Peru, $ Billions




Source: U.S. Department of Commerce.

## Agriculture and Construction Machinery Is the Largest Category of Exports to Peru

**$2.1 Billion in Merchandise Exports to Peru in 2004**




Source: U.S. Department of Commerce.

leum and coal products; other furniture-related products; and boilers, tanks, and shipping containers. All of these rose by more than 200 percent.

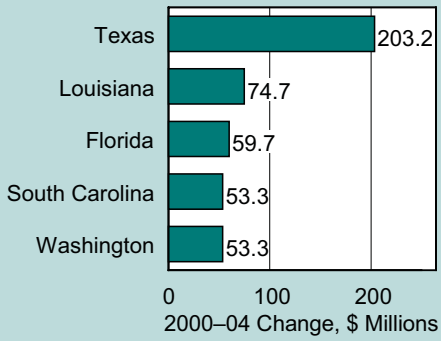
Among non-manufactures, U.S. exports of unprocessed oilseeds and grains to Peru rebounded by 192 percent from 2000 to 2004.

A total of 5,080 U.S. companies exported merchandise to Peru in 2003 (the latest year for which data are available). Of those, 4,010 (79 percent) were small and medium-sized enterprises (SMEs) with fewer than 500 employees.

In 2003, U.S. SMEs exported almost $627 million in merchandise to Peru. This represented 42 percent of total U.S. exports to Peru, well above the 27 percent SME share of U.S. exports to the world.

## Texas Recorded the Biggest Growth in Exports to Peru from 2000 to 2004

**$2.1 Billion in Merchandise Exports in 2004**




Source: U.S. Department of Commerce.

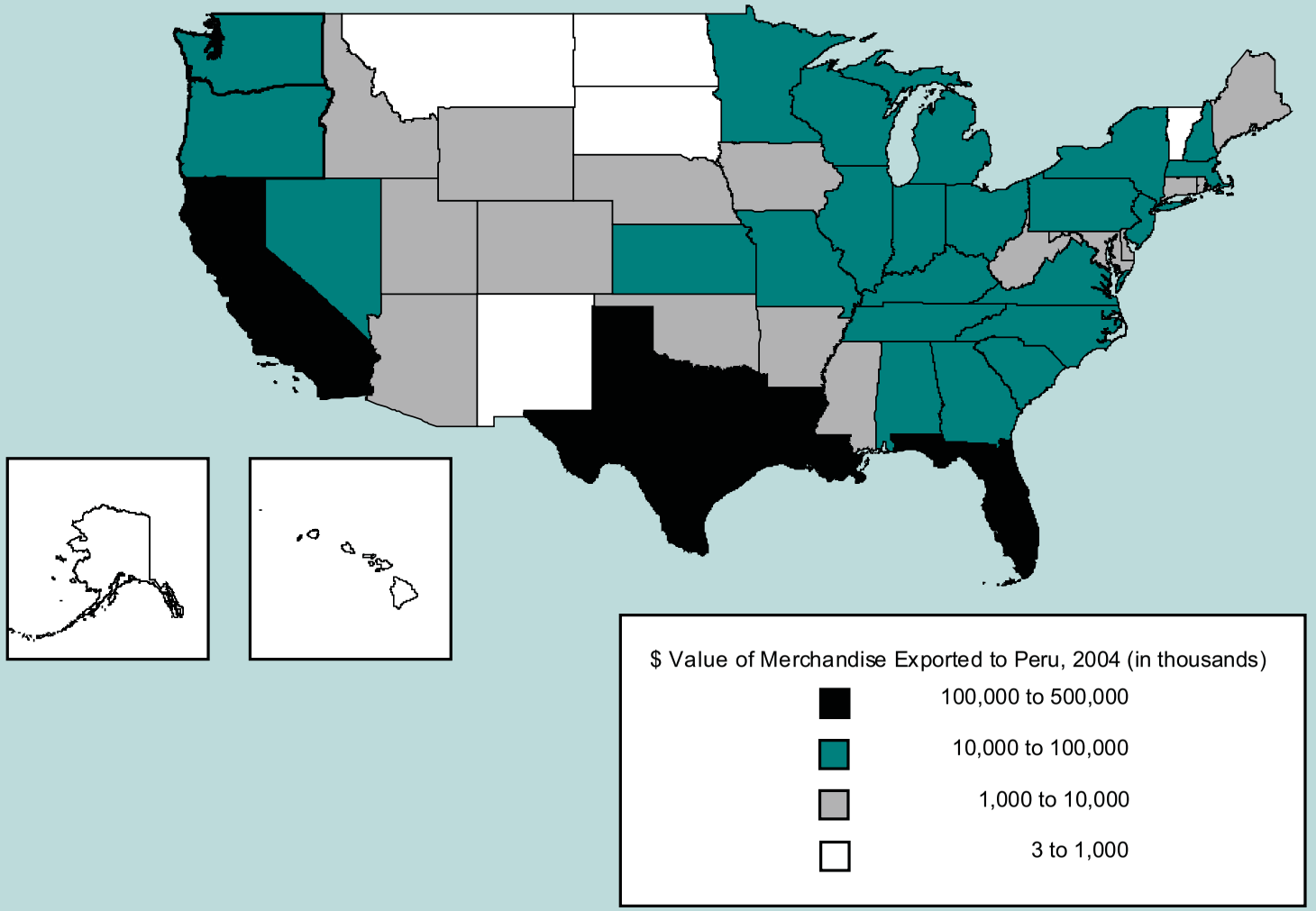
Source: Origin of Movement State Export Series and Exporter Database, U.S. Census Bureau.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point of exit) from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.

## Twenty-Seven States Exported $10 Million or More to Peru in 2004

$2.1 Billion in Merchandise Exports in 2004




Source: U.S. Department of Commerce.

## State Merchandise Export Totals to Peru, 2000–2004, Ranked by 2004 Export Value

(Thousands of Dollars)

| Rank | State | 2000 | 2001 | 2002 | 2003 | 2004 | $ Change, 2000–04 | $ Change, 2003–04 | % Change, 2000–04 | % Change, 2003–04 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Texas | 295,897 | 334,953 | 384,102 | 436,076 | **499,077** | 203,180 | 63,001 | 68.7 | 14.4 |
| 2 | Florida | 402,777 | 382,159 | 397,088 | 428,459 | **462,455** | 59,678 | 33,995 | 14.8 | 7.9 |
| 3 | Louisiana | 79,762 | 91,672 | 105,143 | 72,982 | **154,414** | 74,652 | 81,432 | 93.6 | 111.6 |
| 4 | California | 124,172 | 110,232 | 81,618 | 99,381 | **116,781** | -7,391 | 17,400 | -6.0 | 17.5 |
| 5 | South Carolina | 42,658 | 39,478 | 48,846 | 67,583 | **95,988** | 53,330 | 28,405 | 125.0 | 42.0 |
| 6 | Illinois | 63,062 | 65,830 | 36,723 | 47,123 | **82,759** | 19,697 | 35,636 | 31.2 | 75.6 |
| 7 | Washington | 13,784 | 31,597 | 19,991 | 56,503 | **67,113** | 53,329 | 10,610 | 386.9 | 18.8 |
| 8 | New York | 54,785 | 59,452 | 62,623 | 49,959 | **44,178** | -10,607 | -5,782 | -19.4 | -11.6 |
| 9 | Georgia | 36,961 | 26,896 | 29,945 | 34,336 | **41,328** | 4,367 | 6,992 | 11.8 | 20.4 |
| 10 | Massachusetts | 9,534 | 5,576 | 7,054 | 6,046 | **36,130** | 26,596 | 30,084 | 278.9 | 497.6 |
| 11 | New Jersey | 28,559 | 20,029 | 16,639 | 20,924 | **32,571** | 4,011 | 11,646 | 14.0 | 55.7 |
| 12 | Tennessee | 15,523 | 19,834 | 28,626 | 30,275 | **28,872** | 13,350 | -1,402 | 86.0 | -4.6 |
| 13 | Ohio | 17,053 | 17,950 | 19,886 | 20,028 | **26,346** | 9,293 | 6,318 | 54.5 | 31.5 |
| 14 | Wisconsin | 37,428 | 21,304 | 9,327 | 13,128 | **25,476** | -11,952 | 12,348 | -31.9 | 94.1 |
| 15 | Virginia | 24,501 | 18,161 | 18,529 | 17,298 | **21,653** | -2,849 | 4,355 | -11.6 | 25.2 |
| 16 | Kentucky | 9,061 | 9,475 | 11,058 | 12,047 | **20,925** | 11,864 | 8,877 | 130.9 | 73.7 |
| 17 | North Carolina | 23,071 | 23,051 | 14,884 | 14,894 | **20,649** | -2,422 | 5,755 | -10.5 | 38.6 |
| 18 | Pennsylvania | 18,175 | 23,121 | 25,325 | 23,052 | **19,103** | 928 | -3,949 | 5.1 | -17.1 |
| 19 | Kansas | 12,592 | 19,778 | 14,113 | 8,051 | **17,986** | 5,395 | 9,936 | 42.8 | 123.4 |
| 20 | Alabama | 6,342 | 7,779 | 9,323 | 10,674 | **16,489** | 10,147 | 5,815 | 160.0 | 54.5 |
| 21 | Minnesota | 18,605 | 9,791 | 9,031 | 10,501 | **16,009** | -2,595 | 5,508 | -14.0 | 52.4 |
| 22 | Oregon | 6,276 | 7,052 | 19,626 | 10,994 | **15,456** | 9,179 | 4,462 | 146.2 | 40.6 |
| 23 | Missouri | 12,732 | 11,470 | 5,863 | 14,623 | **13,333** | 601 | -1,290 | 4.7 | -8.8 |
| 24 | Indiana | 10,773 | 13,619 | 14,167 | 11,293 | **11,935** | 1,162 | 642 | 10.8 | 5.7 |
| 25 | Nevada | 2,950 | 5,687 | 4,525 | 7,213 | **11,478** | 8,527 | 4,265 | 289.0 | 59.1 |
| 26 | Michigan | 6,964 | 9,592 | 10,206 | 8,543 | **11,366** | 4,402 | 2,824 | 63.2 | 33.1 |
| 27 | New Hampshire | 718 | 1,817 | 878 | 1,576 | **10,997** | 10,279 | 9,421 | 1,431.8 | 597.9 |
| 28 | Utah | 4,720 | 5,833 | 3,659 | 7,161 | **8,720** | 3,999 | 1,559 | 84.7 | 21.8 |
| 29 | Mississippi | 8,366 | 3,675 | 7,510 | 5,383 | **8,690** | 324 | 3,307 | 3.9 | 61.4 |
| 30 | Oklahoma | 9,887 | 8,288 | 5,947 | 14,889 | **7,960** | -1,927 | -6,928 | -19.5 | -46.5 |
| 31 | Colorado | 5,862 | 6,216 | 4,290 | 6,472 | **7,307** | 1,445 | 835 | 24.7 | 12.9 |
| 32 | Arizona | 16,642 | 15,064 | 6,380 | 6,701 | **7,153** | -9,488 | 452 | -57.0 | 6.7 |
| 33 | Maryland | 6,590 | 10,746 | 7,709 | 12,235 | **6,105** | -485 | -6,130 | -7.4 | -50.1 |
| 34 | Arkansas | 4,849 | 4,003 | 2,684 | 3,104 | **5,186** | 337 | 2,082 | 6.9 | 67.1 |
| 35 | Iowa | 3,952 | 3,613 | 3,618 | 2,980 | **5,012** | 1,060 | 2,032 | 26.8 | 68.2 |
| 36 | Connecticut | 5,156 | 4,981 | 8,204 | 4,067 | **4,778** | -378 | 711 | -7.3 | 17.5 |
| 37 | Idaho | 3,109 | 2,048 | 4,486 | 3,572 | **3,872** | 762 | 300 | 24.5 | 8.4 |
| 38 | Wyoming | 2,355 | 2,463 | 2,517 | 3,329 | **3,773** | 1,418 | 445 | 60.2 | 13.4 |
| 39 | West Virginia | 1,817 | 6,132 | 4,658 | 3,030 | **3,281** | 1,464 | 251 | 80.6 | 8.3 |
| 40 | Maine | 2,092 | 2,232 | 1,952 | 2,512 | **2,820** | 728 | 309 | 34.8 | 12.3 |
| 41 | Delaware | 1,243 | 2,163 | 1,095 | 4,018 | **1,949** | 706 | -2,069 | 56.8 | -51.5 |
| 42 | Rhode Island | 661 | 5,916 | 11,781 | 4,512 | **1,021** | 361 | -3,490 | 54.6 | -77.4 |
| 43 | Nebraska | 1,804 | 2,041 | 1,103 | 1,220 | **1,019** | -786 | -202 | -43.5 | -16.5 |
| 44 | New Mexico | 1,383 | 19 | 536 | 112 | **354** | -1,029 | 243 | -74.4 | 217.4 |
| 45 | Vermont | 769 | 332 | 366 | 45 | **352** | -417 | 308 | -54.2 | 691.6 |
| 46 | North Dakota | 350 | 6,094 | 1,573 | 493 | **289** | -61 | -204 | -17.4 | -41.4 |
| 47 | South Dakota | 454 | 95 | 67 | 32 | **222** | -232 | 190 | -51.1 | 592.7 |
| 48 | Montana | 388 | 306 | 87 | 234 | **168** | -220 | -66 | -56.7 | -28.3 |
| 49 | Hawaii | 0 | 0 | 8 | 10 | **73** | 73 | 63 | . | 608.6 |
| 50 | Alaska | 161 | 0 | 11 | 12 | **4** | -157 | -8 | -97.7 | -68.9 |
| | District of Columbia | 1,036 | 357 | 1,256 | 911 | **1,674** | 638 | 763 | 61.5 | 83.7 |
| | Puerto Rico | 1,428 | 3,474 | 2,630 | 1,873 | **29,700** | 28,272 | 27,828 | 1,979.3 | 1,486.1 |
| | Virgin Islands | 139 | 97 | 0 | 0 | **318** | 180 | 318 | 129.2 | |
| | Unallocated | 201,949 | 83,314 | 67,208 | 84,341 | **62,706** | -139,243 | -21,635 | -68.9 | -25.7 |
| | U.S. Total | 1,661,881 | 1,566,860 | 1,556,471 | 1,706,810 | **2,095,376** | 433,495 | 388,566 | 26.1 | 22.8 |

Source: U.S. Department of Commerce.

## Technical Notes on the Origin of Movement Series

All state export statistics in this report are drawn from the Census Bureau's Origin of Movement (OM) state export series. The OM series is based on information supplied by U.S. exporters on official Shippers Export Declarations (SEDs) for goods leaving the United States. All statistics in the OM series are on a free-alongside-ship (f.a.s.) basis and include both domestic exports and re-exports.

The OM series seeks to measure state exports on the basis of transportation origin—i.e., the location from which exports begin their journey to the port (or other point) of exit from the United States.

The OM series covers exports of merchandise only. Exports of services are excluded from the data. Also, OM statistics are available only at the state level. There are currently no equivalent figures for exports by metropolitan areas, counties, zip codes, or other sub-state areas.

Similarly, no OM statistics are available for state-level imports. The collection of state import data presents enormous technical challenges, since it would require tracking foreign goods through the U.S. wholesale and retail distribution systems. Consequently, it is not currently possible—using OM data or any other U.S. trade data—to calculate state trade balances.

The Origin of Movement series covers direct exports only. A direct export is one consisting of final goods shipped to a destination outside the United States. So-called indirect exports are excluded from the data. Indirect exports are typically intermediate goods, parts, or other inputs that are shipped within the United States, and subsequently incorporated in final export goods. Such shipments represent domestic transactions—they are not considered exports in U.S. trade statistics.

Also, cross-border shipments made by foreign affiliates of U.S. companies (e.g., a shipment from a French subsidiary to a German customer) are not U.S. exports. These transactions may affect the finances of U.S. firms and reflect a global business strategy, but they are not exports. Exports include only goods and services that are outbound from the United States and which transit its borders.

The OM series was not designed to measure the state distribution of U.S. export production or export-related jobs. The focus is transportation origin, not manufacturing origin.

There are nonetheless many cases when the state origin of movement and the state of production happen to be the same. The origin of movement and origin of production often coincide because many manufacturers ship exports directly from the factory gate, or from a nearby distribution facility.

There is no listing of states for which the Origin of Movement series is a good proxy for export production. Additional research is needed in this area. As a general rule, however, it appears that the OM series is indicative of export production when (1) intermediaries are minor exporters in a state, (2) manufacturers—especially single-establishment firms—dominate exports, and (3) the state is a known producer of the goods being exported.

The OM series in some cases will show considerable manufactured exports from states known to have little manufacturing capability. This is partly attributable to export marketing by in-state intermediaries. These exporters frequently ship manufactures produced by out-of-state suppliers from in-state distribution centers. Another factor is shipments of manufactures from in-state warehouses and other distribution centers that are arranged by exporters located out-of-state. In both cases, manufactured exports from the non-industrial state are magnified on an origin-of-movement basis.

Another limitation of the OM series is that, in certain cases, it falls short of its goal of measuring transportation origin. The problem stems from the fact that many intermediaries have traditionally listed the state in which they are located—which is not necessarily the origin of movement—as the "state of origin" on SEDs. For many other transactions, intermediaries specify the state location of the port of exit—which very often is not the state where goods began their export journey.

The result is significant inconsistencies in the state-level allocation of exports sold by intermediaries. The primary impact is on the state distribution of non-manufactured exports—where intermediaries are overwhelmingly dominant. Most affected is the allocation of exports of farm products, minerals, and other bulk commodities—virtually all of which are sold abroad by intermediaries. The impact on manufactured exports is much more limited, due to the fact that intermediaries account for only about one-third of U.S. exports of manufactures.

The most visible result of the problem is a tendency to understate exports from agricultural states and inflate exports from states having ports that handle high-value shipments of farm products (e.g., Louisiana).

Yet another data issue is that some shippers fail to fill in the "state of origin" block on the SED, or furnish invalid or illegible entries. Consequently, the Census Bureau is presently unable to determine the state origin of movement for about five percent of the value of U.S. exports.

For additional information on the Origin of Movement series, visit the Census Bureau's website at http://www.census.gov/foreign-trade/aip/elom.html.